Message Text

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ACTION ARA-20

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-07 H-03 INR-10 L-03

NSAE-00 NSC-10 PA-04 RSC-01 PRS-01 SPC-03 SS-20

USIA-15 SAM-01 AID-20 IGA-02 PC-04 OMB-01 TRSE-00

SSC-01 EB-11 OPIC-12 FRB-02 XMB-07 COME-00 SPM-01

HEW-08 AGR-20 DRC-01 /189 W

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P R 081815Z FEB 74
FM AMEMBASSY SAN JOSE
TO SECSTATE WASHDC PRIORITY 6178
INFO AMEMBASSY GUATEMALA
AMEMBASSY MANAGUA
AMEMBASSY SAN SALVADOR
AMEMBASSY TEGUCIGALPA
AMEMBASSY PANAMA

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E.O. 11652: N/A TAGS: PINT, CS

SUBJECT: ODUBER HOLDS FIRST POST-ELECTION PRESS CONFERENCE

1. BEGIN SUMMARY: IN HIS PRESS CONFERENCE SINCE HIS ELECTION, DANIEL ODUBER RESPONDED FORTHRIGHTLY TO QUESTIONS ON A VARIETY OF SUBJECTS, MOST NOTABLY: COSTA RICA'S RELATIONS WITH CUBA AND THE SOCIALIST COUNTRIES. THE EXCHANGE RATE.

AND THE FUTURE OF COSTA RICA'S PUBLIC SECURITY FORCES. END SUMMARY.

2. CUBAN RELATIONS: ODUBER SAID THAT COSTA RICA WOULD FOLLOW WHATEVER LINE WAS DECIDED BY THE OAS. HE SAID THAT IT WOULD NOT BE IN COSTA RICA'S INTEREST TO IGNORE THE SANCTIONS VOTED BY THE OAS AGAINST CUBA IN 1964. FOR COSTA RICA TO UNILATERALLY ESTABLISH RELATIONS WITH UNCLASSIFIED

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CUBA WOULD SERIOUSLY DAMAGE THE OAS STRUCTURE ON

WHICH ARMY-LESS COSTA RICA DEPENDS FOR ITS NATIONAL SECURITY, THUS FORCING THE NATION TO ESTABLISH AN ARMY. HE ENDED BY NOTING THAT THE LATIN AMERICAN FOREIGN MINISTERS WOULD BE MEETING IN MEXICO AND THAT BREZHNEV HAD RECENTLY BEEN IN HAVANA. HE SAID THAT WE WILL HAVE TO SEE WHAT WILL BE THE "RUSSIAN POLICY" THAT CUBA MUST FOLLOW.

- 3. RELATIONS WITH THE SOCIALIST COUNTRIES: COSTA RICA WOULD CONTINUE ITS RELATIONS WITH THE SOCIALIST COUNTRIES. HE SAID THAT COSTA RICA'S SEAT ON THE UN SECURITY COUNCIL, AND RESPECTABILITY DERIVED THEREFROM, WAS IN LARGE PART DUE TO COSTA RICA'S POLICY OF ESTABLISHING RELATIONS WITH ALL COUNTRIES.
- 4. RELATIONSHIP WITH THE US: ODUBER SAID THAT COSTA RICA WOULD CONTINUE TO MAINTAIN EXCELLENT RELATIONS WITH THE US FOR GEO-POLITICAL, INSTITUTIONAL, AND PERSONAL REASONS, NOTING THAT THERE WERE PEOPLE IN THE US SUCH AS HENRY KISSINGER WITH WHOM IT IS POSSIBLE TO SPEAK. HE NOTED A RECENT STATEMENT ON LATIN AMERICA BY VICE-PRESIDENT FORD WHICH, HE SAID, UNDERLINES THE IMPORTANCE THE US ATTACHES TO ITS SOUTHERN NEIGHBORS.
- 5. THE EXCHANGE RATE: ODUBER SAID THAT THE GOVERNMENT WOULD UNIFY THE EXCHANGE RATE AT AN UNSPECIFIED LEVEL, POSSIBLY NEXT WEEK.
- 6. NEW CABINET: ODUBER SAID HE HAD POSTPONED HIS DECISION TO ANNOUNCE HIS NEW CABINET. HE SAID HE HAD BEEN BESIEGED WITH INDIVIDUALS DESIRING CABINET POSITIONS AND WISHED TO WAIT AWHILE LONGER UNTIL THE MINISTERIAL "FEVER" DIED DOWN.
- 7. COSTA RICAN PUBLIC SECURITY FORCES: ODUBER SAID HE WISHED TO CHANGE THE CURRENT HYBRED ARMY/POLICE FORCE INTO A TRUE POLICE FORCE WITHIN THE NEXT FOUR YEARS TO CONFORM WITH THE CONSTITUTIONAL PROHIBITION AGAINST AN ARMY. THE CHANGE WOULD INCLUDE UNCLASSIFIED

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ELIMINATION OF MILITARY RANKS IN FAVOR OF POLICE GRADES SUCH AS INSPECTOR, CHIEF, ETC., AND A CHANGE OF UNIFORMS.

8. FOREIGN INVESTMENT: ODUBER'S GOVERNMENT WOULD CLASSIFY THE COSTA RICAN ECONOMY AS FOLLOWS:
(A) AREAS IN
WHICH ONLY COSTA RICANS COULD INVEST;

- (B) AREAS IN WHICH BOTH COSTA RICANS AND FOREIGNERS COULD INVEST, WITH OR WITHOUT STATE PARTICIPATION; AND
 (C) AREAS IN WHICH FOREIGNERS COULD INVEST. HE SAID THAT HE HAD STUDIED AN OAS' ANALYSIS AND MEXICAN LEGISLATION CONCERNING FOREIGN INVESTMENT AS POSSIBLE MODELS TO FOLLOW AND DECLARED THAT HIS BELIEF WAS THAT FOREIGN INVESTMENTS SHOULD LEAVE MAXIMUM POSSIBLE PROFITS IN COSTA RICA.
- 9. FOREIGN OWNERSHIP OF BEACHES: ODUBER NOTED THAT DEVELOPED COUNTRIES HAD ENACTED LEGISLATION REGULATING BEACH OWNERSHIP IN WHICH AREAS WERE SET ASIDE FOR PRIVATE, COMMERCIAL EXPLOITATION, AND OTHERS FOR THE PUBLIC'S USE. HE SAID SIMILAR LAWS COULD BE ENACTED HERE.
- 10. CACM: THE MOST IMPORTANT THING IS THAT THE COMMON MARKET BE MADE TO FUNCTION AND, FOR THAT, THE HONDURAN/SALVADOREAN DISPUTE MUST BE SETTLED.
- 11. TURNING TO DOMESTIC MATTERS, ODUBER SAID HIS
 ADMINISTRATION WOULD STIMULATE INDUSTRIALIZATION OF THE
 RECONS OFF THE CENTRAL PLATEAU TO AVOID EXCESSIVE
 POPULATION CONCENTRATION IN SAN JOSE. HE EXPRESSED
 DISSATISFACTION WITH THE PROGRESS OF THE CURRENT
 ADMINISTRATION'S "FIGHT AGAINST POVERTY" AND SAID THAT
 HE WOULD PUSH PROGRAMS TO CLOSE THE GAP BETWEEN
 THE RICH AND THE POOR. HE CITED THE PASSAGE OF
 FAMILY SUBSIDY (ASSIGNACIONES FAMILIAR) LEGISLATION FOR LOW-INCOME FAMILIES AS THE FIRST STEP TO BE TAKEN AS WELL AS THE
 ESTABLISHMENT OF LOCAL COMMUNITY HEALTH AND
 NUTRITION CENTERS. HE SAID HE HAD BECOME
 DISSATISFIED WITH THE GOVERNMENT'S CURRENT POLICIES
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OF MAINTAINING BASIC FOOD PRICES AT ARTIFICIALLY LOW LEVELS. HE SAID THIS POLICY CONTRIBUTED TO SCARCITY OF BASIC FOOD PRODUCTS AND PROFITED ONLY SMUGGLERS WHO SOLD CHEAP COSTA RICAN RICE AND BEANS TO NICARAGUA AND PANAMA.

12. LAND REFORM: ODUBER SAID THAT HE WOULD ACCELERATE SETTLEMENT OF LANDLESS FARMERS IN COOPERATIVES ON GOOD LAND THAT IS NOT NOW BEING ADEQUATELY EXPLOITED BUT THAT WAS ALSO NEAR NECESSARY PUBLIC SERVICES SUCH AS ROADS, SCHOOLS, HOSPITALS, ETC. HE DID NOT STATE HOW THE GOVERNMENT WOULD ACQUIRE THE LAND, BUT INDICATED THAT THE EXISTING LAND REFORM INSTITUTE, ITCO, WOULD BE STRENGTHENED TO PURCHASE LAND. ODUBER ALSO PROMISED TO TAKE IMMEDIATE STEPS TO REVAMP THE

EDUCATIONAL SYSTEM TO CEASE THE PREPARATION OF PROFESSIONALS (PRINCIPALLY TEACHERS) FOR NON-EXISTENT JOBS, AND TO STIMULATE STUDENTS TO PREPARE FOR FIELDS WHERE THERE WAS A DEMAND FOR THEIR SERVICES.

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INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-07 H-03 INR-10 L-03

NSAE-00 NSC-10 PA-04 RSC-01 PRS-01 SPC-03 SS-20

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SSC-01 EB-11 OPIC-12 FRB-02 XMB-07 COME-00 SPM-01

HEW-08 AGR-20 DRC-01 /189 W ------ 106454

P R 081815Z FEB 74
FM AMEMBASSY SAN JOSE
TO SECSTATE WASHDC PRIORITY 6179
INFO AMEMBASSY GUATEMALA
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AMEMBASSY PANAMA

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13. ODUBER SAID HE WOULD PRESS FOR THE CONVOCATION OF A CONSTITUENT ASSEMBLY IF HE COULD FIND THE NECESSARY TWO THIRDS MAJORITY IN THE ASSEMBLY TO DO SO TO MAKE SOME BASIC CHANGES IN THE CONSTITUTION (PRINCIPALLY TO STRENGTHEN THE POWER OF THE EXECUTIVE OVER THE AUTONOMOUS INSTITUTIONS). HE PROFESSED LACK OF CONCERN OF THE PLN'S FAILURE TO WIN AN ASSEMBLY MAJORITY BECAUSE, "IF I HAVE ANYTHING, IT'S PATIENCE AND AFFECTION FOR THOSE WHO MANAGE THE ASSEMBLY." HE SAID HE HAD NAMED CARLOS MANUEL CASTILLO AS MINISTER OF THE PRESIDENCY, WHO WILL BE CONCERNED WITH AFFAIRS OF THE AUTONOMOUS INSTITUTES IN ORDER TO HAVE MORE FREEDOM TO PERSONALLY DEAL WITH THE ASSEMBLY.

14. IN CONCLUDING HIS CONFERENCE, ODUBER SAID THAT HE WOULD KEEP HIS CAMPAIGN PLEDGE TO MAINTAIN CONSTANT CONTACT WITH THE PEOPLE AND NOT SHUT HIMSELF UP IN THE FOUR WALLS OF UNCLASSIFIED

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HIS OFFICE.

15. COMMENT: ODUBER PROJECTED A FAVORABLE IMAGE AS A CONFIDENT, VIGOROUS, AND WITTY PRESIDENT-ELECT. VAKY

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Message Attributes

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To: STATE

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